

Service Date: July 24, 2001

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER of MONTANA)	UTILITY DIVISION
POWER COMPANY'S Request for an)	
Accounting Order to Accrue and Defer)	DOCKET NO. D2001.3.30
Costs Associated with Implementing)	
the Electrical Energy Pool.)	ORDER NO. 6355a
)	

Electrical Energy Pool Cost Accounting Order

Findings Of Fact

1. The Montana Power Company (MPC or Company) the administrator of the electrical energy pool according to the rules, guidelines, criteria, methods and tariffs adopted by the Commission, pursuant to House Bill 645, passed by the 2001 Montana Legislature, and enacted on May 5, 2001.
2. In Docket No. D2001.3.30, Order No. 6355 the Commission directed MPC to promote the electrical energy pool to all customers to assist industrial customers.
3. Starting July 1, 2001, MPC was directed to begin accounting for the administrative costs associated with implementing the electrical energy pool.
4. The costs for implementing the electrical energy pool are expenditures which are not reflected in current rates. Docket No. D2001.3.30, Order No. 6355 allows MPC to recover these costs. On July 3, 2001, MPC filed a proposed Accounting Order to accrue and defer reasonable costs associated with implementation of the electrical energy pool.
5. Nothing in this Accounting Order shall be considered as precedent for the treatment of these costs, except as specifically stated herein, in any future proceedings, or interpreted to limit the Commission's authority in making the determination of which costs should be included in rates.

6. Approval of this Accounting Order is for accounting purposes only. This Order is not to be construed as, nor is it in any way, a directive as to the proper accounting treatment for costs associated with the implementation of the electrical energy pool, or an approval of either the actual numbers involved, the accounting method used, or the assumptions underlying those numbers. Most importantly, this Order does not imply or direct in any fashion that costs associated with implementation of the electrical energy pool deferred pursuant to this Order will be at any time reflected in rates.

CONCLUSIONS OF LAW

1. The Montana Power Company is a public utility furnishing electric and natural gas service to consumers in the State of Montana, subject to the supervision, regulation and control of this Commission. Title 69, § 69-3-102, MCA.

ORDER

1. The Commission authorizes accounting deferral for reasonable costs resulting from the implementation of the electrical energy pool.

2. This authorization is effective for reasonable costs incurred from the issuance of this Order until June 30, 2002.

Done and Dated this 23rd day of July, 2001 by a vote of 5 -0 .

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

The original signed copy of this order is on file at the
Commission's office.

GARY FELAND, Chairman

JAY STOVALL, Vice Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this
decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.

